

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



October 17, 2002

Agenda ID # 1263

TO: PARTIES OF RECORD IN APPLICATION 00-06-051

This is the draft decision of Administrative Law Judge (ALJ) Minkin. It will not appear on the Commission's agenda for at least 30 days after the date it is mailed. The Commission may act then, or it may postpone action until later.

When the Commission acts on the draft decision, it may adopt all or part of it as written, amend or modify it, or set it aside and prepare its own decision. Only when the Commission acts does the decision become binding on the parties.

Parties to the proceeding may file comments on the draft decision as provided in Article 19 of the Commission's "Rules of Practice and Procedure." These rules are accessible on the Commission's website at <http://www.cpuc.ca.gov>. Pursuant to Rule 77.3 opening comments shall not exceed 15 pages. Finally, comments must be served separately on the ALJ and the assigned Commissioner, and for that purpose I suggest hand delivery, overnight mail, or other expeditious method of service.

/s/ ANGELA K. MINKIN for
Carol A. Brown, Interim Chief
Administrative Law Judge

CAB:jyc

Attachment

Decision **DRAFT DECISION OF ALJ MINKIN** (Mailed 10/17/02)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of San Diego Gas & Electric
Company (SDG&E) for Approval of Evaluative
Criteria for SDG&E's Distribution Performance-
Based Ratemaking Mechanism (U 902-M).

Application 00-06-051
(Filed June 3, 2000)

DECISION DISMISSING APPLICATION

As required by Decision (D.) 99-05-030, SDG&E filed this application to request approval of evaluative criteria for its distribution performance-based ratemaking (PBR) mechanism. No protests to the application were received. SDG&E requested that the parties participate in a workshop to further discuss potential evaluative criteria. Energy Division hosted a workshop and prepared and filed a workshop report on December 13, 2000.

The workshop report described the discussion that occurred but noted that no concrete changes to existing PBR criteria were recommended. The workshop report indicated that Energy Division would review the various concerns raised during the workshop in its comprehensive review of SDG&E's PBR mechanism that was scheduled for completion by the end of 2001. No comprehensive review of SDG&E's PBR has been conducted. However, a resolution addressing SDG&E's year 2000 PBR performance was adopted on August 22, 2002 (G-3327) and a review of SDG&E's 2001 PBR performance is underway.

Based on the results of the workshop, it appears that no purpose would be served by adopting additional evaluative criteria at this time and, therefore, we should dismiss the application without prejudice. If SDG&E applies for a continuation of PBR ratemaking treatment beyond the current term of its PBR mechanism, the question of the appropriate evaluative criteria should be revisited.

Comments on Draft Decision

The draft decision of the Administrative Law Judge (ALJ) in this matter was mailed to the parties in accordance with Pub. Util. Code § 311(g)(1) and Rule 77.7 of the Rules of Practice and Procedure. Comments were filed on _____, and reply comments were filed on _____.

Assignment of Proceeding

Carl Wood is the Assigned Commissioner and Angela Minkin is the assigned ALJ in this proceeding.

Finding of Fact

No concrete changes to existing PBR criteria were recommended at the workshop.

Conclusions of Law

1. No purpose would be served to adopt additional evaluative criteria at this time.
2. We should dismiss the application without prejudice.

IT IS ORDERED that:

1. This proceeding is dismissed without prejudice.
2. This proceeding is closed.

This order is effective today.

Dated _____, at San Francisco, California.